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C O N F I D E N T I A L SECTION 01 OF 04 BRUSSELS 001241

SIPDIS

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TAGS: PREL PHUM PGOV ETRD EAID EUN USEU BRUSSELS

SUBJECT: WHA DAS SHAPIRO DISCUSSES LATIN AMERICA/CARIBBEAN

WITH EU

REF: A. A) LUXEMBOURG 262

1B. B) USEU TODAY 03/18/05
1C. C) BRUSSELS 555
1D. D) BRUSSELS 837

TE. E) BRUSSELS 1129

Classified By: USEU POLOFF TODD HUIZINGA, FOR REASONS 1.4 (B) AND (D)

- 11. (C) SUMMARY: In March 14 meetings with WHA DAS Charles Shapiro, EU officials said:
- the EU would increase contacts with the Cuban opposition: the European Parliament might be interested in holding a public hearing with Cuban dissidents;
- the EU would send a fact-finding mission to Haiti in June, and make 72 million euros of assistance funds available to the new Haitian government when it takes office early next year;
- the EU is happy with the outcome of the Cartagena conference in support of Colombia and is watching closely Colombian efforts to pass a law on demobilization of paramilitaries;
- -- the EU is uncertain on how to approach Venezuelan President Chavez in light of his popularity and oil resources, and is leaning toward a &critical engagement8 approach that seeks, with help from Brazil and some EU members such as Spain and France, to channel Chavez toward working &more constructively8 with others in the region;
- -- the EU supports the idea of a Constitutional Assembly to rewrite Bolivia's constitution; also, the GOB has approached the European Commission to do a study on coca cultivation;
- -- the EU will discuss supporting U.S. efforts to achieve destruction of all man-portable air defense systems (MANPADS) in Nicaragua;
- -- progress on the EU,s planned trade and association agreements with the Andean Community and Mercosur is slow because of lack of regional economic integration among the organizations, members. END SUMMARY.

Participants

12. (U) On March 14, the EU hosted WHA DAS Charles Shapiro for the biannual U.S.-EU "COLAT" consultations on Latin America and the Caribbean. Shapiro also had meetings with two members of the European Parliament (MEPs), Charles Tannock (UK) and Jan Zahradil (Czech Republic), and with Tomas Dupla del Moral, European Commission Director for Latin American Affairs, and members of his staff. The following participated in the COLAT consultations:

EU Delegation

Luxembourg (current EU Presidency):

Jean Graff, Ambassador in Charge of Latin America and Caribbean

Jean Claude Kugener, Deputy Chief of Latin America/Caribbean Gabriel Baptista, Charge de Mission, Latin America/Caribbean

United Kingdom (successor to Luxembourg in EU Presidency):

Steve Williams, Head of Latin America/Caribbean Department, FCO

European Commission:

Marie-Anne Coninsx, Head of Latin American Regional Affairs Unit, Directorate-General for External Relations (RELEX) Laurence Argimon-Pistre, Head of Mercosur and Chile Unit, RELEX

John Caloghirou, Head of Caribbean Affairs Unit, Directorate-General for Development (DGDEV) Rafael Gelabert, Desk Officer for Political Coordination, Latin American Regional Affairs Unit, RELEX Rafael Senan Llarena, Cuba Desk Officer, DGDEV

EU Council Secretariat:

Karl Buck, Head of Latin America Division Dusan Chrenek, Latin America Desk Officer, Policy Unit

U.S. delegation

Charles Shapiro, Deputy Assistant Secretary, Bureau of Western Hemisphere Affairs Todd Huizinga, Political Officer, USEU Brussels

CUBA: EU PROMISES MORE CONTACT WITH OPPOSITION

13. (C) Jean Graff, the Head of the EU Working Group on Latin America and the Caribbean (COLAT), said the EU had suspended its June 2003 restrictive measures against Cuba in order to regain access to Cuban officials and thus be able to push them on human rights (see REF C). Most important in the EU's new approach, said Graff, was that contacts with the opposition would be "multilateralized;" the EU would now engage -- at the multilateral, EU level -- in regular and intensive contacts with the opposition in Havana. Without going into specifics, Graff maintained that the Cubans would need to take significant steps on human rights in order for the EU and Cuba to achieve a lasting constructive dialogue. On the review of the temporary suspension of the restrictive measures, set for June or July, Graff suggested the EU would welcome the release of those remaining in jail since March 2003 crackdown. Graff said the EU would support the U.S. resolution on Cuba at this year's UNCHR in Geneva. (NOTE: Subsequent developments reveal that EU deliberations on this are still underway (REF A). END NOTE.)

14. (C) In a separate meeting Shapiro briefed two members of the European Parliament (MEPs) on the March 3 Cuba hearing of the House International Relations Committee (HIRC), at which three members of the Cuban opposition testified from Havana by phone. The MEPs (Charles Tannock of the UK and Jan Zahradil of the Czech Republic, both members of the Christian Democrat/Conservative Group) said they might be able to drum up interest in the European Parliament (EP) in holding a similar hearing.

HAITI: EU TO SUPPORT ELECTIONS, NEW GOVERNMENT

15. (C) European Commission (EC) Caribbean Affairs Chief John Caloghirou said the EU would participate in observation of the elections in Haiti in the fall. He said the EC had dedicated 10 million euros to election support, not including the observation mission. In June, the EU would send a fact-finding mission to Haiti to assess needs. Currently, said Caloghirou, the EC had 145 million euros dedicated to Haiti, and was looking for ways to limit tendering times in order to put the money to work more quickly. Caloghirou stressed that the Commission would "scrape the bottom of the drawer" for more funds, but additional assistance would nevertheless not amount to much. Under the 9th European Development Fund (EDF), 72 million euros were in the process of being programmed. This money would be available to the new Haitian government when it takes office in early 2006.

COLOMBIA: EU WATCHING FOR DEMOBILIZATION LAW

 $\underline{\ \ }$ (C) Graff said the EU was pleased with the results of the February Cartagena conference on Colombia, especially with the role of the U.S. and the EU in getting the Cartagena Declaration adopted. On possible EU support for the peace process, Graff said the EU would not be directly involved for now but was closely following efforts to get a law on demobilization of the paramilitaries passed by summer. On human rights, Graff said the recent report of the UN High Commissioner for Human Rights was the EU's tool for tracking human rights and working on the issue with the GOC. Graff said he looked forward to getting a balanced statement on Colombia at the CHR in Geneva, based on the High Commissioner's report and on a fair hearing of the GOC's views. Coninsx said that, on the whole, the EU relationship with Colombia was based on solidarity with the GOC, as expressed primarily through trade and aid (REF E). In a separate meeting Tomas Dupla del Moral, European Commission (RELEX) Director for Latin America, said he would talk to the GOC soon about future EC assistance priorities. He said the peace laboratories and promoting regional integration via the Andean Community would remain front and center. The EC might also explore programs for IDPs in cooperation with Colombian cities.

VENEZUELA: EU'S "CRITICAL ENGAGEMENT" APPROACH

- 17. (C) EU interlocutors shared USG disquiet about Venezuelan President Chavez' increasing authoritarianism and regional troublemaking, but the level of their concern was lower. Williams described the EU approach to Venezuela as "critical engagement." Dupla del Moral said that, with Chavez' popularity and his oil money, the EU was hard pressed to find any leverage to influence his behavior. Dupla del Moral said he was thinking about how to use Brazil's weight to encourage Chavez to play a more constructive regional role in Bolivia, for example, where Chavez exerts influence over the cocalero leader Evo Morales. In addition, the EC is working with Venezuelan NGOs; Dupla del Moral reported that Venezuela had been selected for a new one-million-euro program on institutional strengthening of NGOs. Finally, Dupla del Moral added that Chavez was receptive to some EU member states, such as Spain and France, partially because of the large number of immigrants of European origin in Venezuela.
- 18. (C) Graff and Williams said Colombia had not raised concerns to the EU about Venezuelan arms acquisitions (REF D). Williams said the EU did not see grounds for formal intervention with Venezuela regarding GOV acquisition of Russian AK-47s. He said Venezuela's intended use for these weapons to supply reservists patrolling the Venezuela/Colombia border would improve stability.

EU SUPPORTS CONSTITUTIONAL ASSEMBLY FOR BOLIVIA

19. (C) Shapiro and his EU interlocutors agreed on the importance of supporting President Carlos Mesa in a situation that remained precarious, but disagreed on the wisdom of holding a Constitutional Assembly. Coninsx said that, in addition to alternative and regional development, EC aid to Bolivia would concentrate on helping to get a Constitutional Assembly up and running. Dupla del Moral maintained that some kind of assembly was necessary in order to reach a modus vivendi among the diversity of interests — otherwise, he said, the country would split apart. On development assistance to Bolivia, Dupla del Moral said both the Bolivia Support Group concentrating on the fiscal crisis and the Bolivia Consultative Group with its focus on poverty reduction had key roles to play; most important, though, was to get regional actors such as the Andean Community more involved.

EC ON POSSIBLE COCA GROWING STUDY

110. (C) Dupla de Moral reported that the GOB had approached the EC for help in carrying out a study reevaluating how much coca should be harvested legally in Bolivia. He said the EC could see the merits of such a study, but was wary of possible political repercussions if the study finds that the amount of legal coca cultivation should be increased. He said the EC might participate in the study under three conditions: (1) if an institution seen by all parties as impartial could take the lead; (2) if the choice of institution were certified by the EU and the UNODC; and (3) if the USG would state that it does not object to EC involvement. Shapiro said he would consult within the USG on the issue.

NICARAGUA: EU MIGHT SUPPORT MANPADS DESTRUCTION

111. (C) Shapiro raised U.S. commitment to destruction of all man-portable air defense systems (MANPADS) in Nicaragua, and solicited political support from the EU. Graff said he thought it likely that the EU would support such an effort, and said he would raise the issue in the EU Working Group on Latin America (COLAT). Meeting participants discussed ways the EU could support the effort, including by having a representative of the EU Presidency in Managua raise it with the GON, organizing a joint EU demarche and approaching the Nicaraguan Congress. Shapiro said he would see about passing further information on MANPADS to the EU.

TRADE, ASSOCIATION NEGOTIATIONS MOVING SLOWLY

112. (C) Our EU interlocutors reported that progress on the EU,s planned trade and association agreements with the Andean Community (CAN) and Mercosur is slow because of lack of regional economic integration among the organizations, members. Coninsx discussed state of play of negotiations toward an EU-CAN Association Agreement, which would include

an FTA. She said an assessment of the extent of economic integration in the CAN was underway, and the assessment working group planned to finish its report by the end of the year. As of now, an EU-CAN FTA remained a long way off because of the region's lack of economic integration. Thus, the question of when to begin negotiations would depend on the results of the assessment.

113. (C) Argimon-Pistre reported on negotiations toward an EU-Mercosur Regional Association Agreement. She said negotiations that had broken down in October 2004 would be restarted in the coming weeks on the basis the previous best offers of both sides. The EU's objectives for the agreement are very ambitious, including cooperation on the environment, nonproliferation, information society, and research. The EU wants the trade part of the agreement to include the same "full basket" of issues that the U.S. wants for the FTAA --including intellectual property rights, services and government procurement. Just as in the case of the EU-CAN agreement (para 12), lack of regional economic integration in Mercosur is a major obstacle, said Argimon-Pistre; the EU wants the same kind of free movement of EU goods and services within Mercosur that is available for Mercosur products within the EU.

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